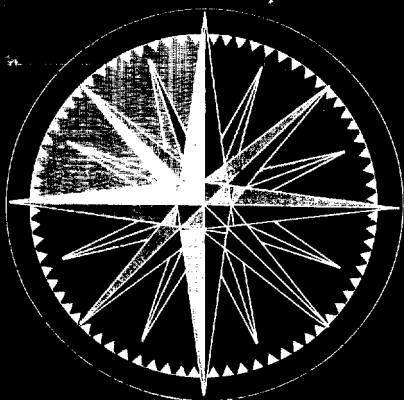


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# SPECIAL REPORT

## THE GREEK POLITICAL CRISIS

CENTRAL INTELLIGENCE AGENCY  
OFFICE OF CURRENT INTELLIGENCE

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## THE GREEK POLITICAL CRISIS

The political crisis which erupted in Greece in early June had its roots in the conduct and outcome of the general election of 1961. For two years, the opposition maintained a barrage of accusations that Premier Constantine Karamanlis' moderate National Radical Union (ERE) achieved its solid majority only through fraud, intimidation, and a slanted electoral law. Deterioration of Karamanlis' relations with the palace provided the spark that triggered his resignation. Opposition pressure also forced out the caretaker government which succeeded Karamanlis. Appointment of a second caretaker government in late September apparently has eased matters for the period before the general elections scheduled for 3 November. The disorganization of the largest non-Communist opposition party could pave the way for impressive gains by the Communist-dominated United Democratic Left (EDA). However, ERE strength is relatively unimpaired.

### Disputed 1961 Elections

The ERE victory in October 1961 was Karamanlis' third triumph since King Paul had named him as prime minister six years earlier. ERE won over 50 percent of the popular vote and nearly 180 out of 300 seats in the unicameral legislature--the first time in postwar Greek politics that a single party had achieved a majority. The party and its leader had produced an unusually long period of political stability, and steady economic progress. ERE's generally moderate policies were especially popular in normally conservative rural areas, and Karamanlis' personal dominance of his party and his popular backing had steadily grown.

The opposition was left in disarray. The Communist-front

EDA, which had provided the major parliamentary opposition, saw its popular vote drop from the 25 percent received three years earlier to less than 15 percent. Its parliamentary representation fell from 79 to 22. The party leadership, staggered by the defeat, remained largely ineffective until this summer.

Moving into EDA's role as principal opposition party was the Center Union (EK), which had been created on the eve of the elections by a unification of several parties ranging from the non-Communist left to the moderate right. While EK elected over 80 deputies, its leaders were not content to conduct a conventional opposition campaign in parliament.

The EK leader, George Papandreou, instead launched

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## THE ROYAL FAMILY



KING PAUL



QUEEN FREDERIKA



CROWN PRINCE  
CONSTANTINE

what he called an "unremitting struggle" to force new elections. He charged that the 1961 voting had been characterized by police intimidation, manipulation of the army vote, and outright fraud in the tabulation of ballots. Later court investigation uncovered some evidence to support these charges, but not enough to indicate that ERE's control of parliament depended upon malpractice. In fact, police intimidation appears to have been directed almost exclusively at EDA, rather than at the complaining EK.

Papandreou demanded, above all, a new electoral law pro-

viding for simple proportional representation, rather than the weighted proportional system that gave a bonus to the largest party, ERE, in 1961. The Center Union pursued its campaign with such intensity that, despite Karamanlis' solid majority, political turmoil prevailed.

Simultaneously, on the far left the EDA agitated for an amnesty for some 1,100 prisoners jailed for criminal acts committed during and following World War II and the Communist insurrection of 1946-49. The violent death in late May of a prominent EDA deputy, Gregory Lambrakos, during a demonstration in Thessaloniki gave further impetus to this campaign.

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The agitation found sympathy abroad. In Britain, organizations such as the Committee of 100 Against Tyranny demonstrated for "a return to democracy" in Athens and the release of the "political prisoners." Such a demonstration marred Queen Frederika's private visit to London early this year.

### The Palace Problem

Karamanlis' relations with the royal family, meanwhile, were deteriorating. The premier alleged that the palace was meddling in politics. He was irritated by frequent requests for large funds which his government had to justify to parliament. The royal family, for its part--particularly Queen Frederika and Crown Prince Constantine--reportedly strongly resented the steady increase in Karamanlis' power and prestige and regarded him as ineffective in defending the palace against public criticism.

The King's refusal to accept Karamanlis' advice to abandon plans for a royal visit to England in July probably was the overriding factor in the premier's decision to quit when he did. He maintained that demonstrators in London could endanger the royal couple, and the need for the tightest security precautions when the trip did take place appeared to vindicate his fears. By resigning over an issue which involved the national honor, Karamanlis made a strong bid to revive public support for himself and

his party. He then flew off to Switzerland and did not return until 29 September when the electoral campaign had gotten under way.

### Election Preparations

For some three months a caretaker government under Panayiotis Pipinelis, minister of commerce under Karamanlis, endeavored to prepare for new elections that could restore political stability. The Center Union charged that Pipinelis was partisan, however, and threatened to boycott the elections if they were held by his government. Faced with the likely polarization of Greek politics between ERE and the Communists, the King accepted Pipinelis' resignation on 27 September. The president of the Supreme Court, Stylianos Mavromichalis, agreed to form a government of nonpolitical figures, and the Center Union agreed to participate in the elections.

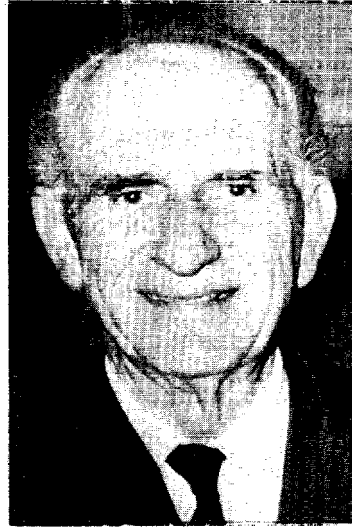
Despite the buffeting it has suffered in recent months, the ERE and Karamanlis appear in reasonably good condition for the campaign. Karamanlis remains the dominant political figure in Greece, and has received principal credit for the country's continued economic gains. The ERE proved cohesive in the disturbed weeks following the premier's resignation in June. Although several major party figures were unhappy at Karamanlis' often arbitrary, even humiliating treatment of

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## LEADERS OF PRINCIPAL GREEK POLITICAL PARTIES



Constantine Karamanlis  
National Radical Union (ERE)



George Papandreou  
Center Union (EK)



John Passalides  
United Democratic Left (EDA)



Spyros Markezinis  
Progressive Party

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his subordinates, no significant defections from the party have occurred.

Since June, moreover, King Paul appears to have become convinced that his family's best interests would be served by a return to power by the ERE leader, in view of the undertone of antiroyalist sentiments in the main opposition parties. The attitude of the Queen and the Crown Prince are less clear.

Other factors seem to mitigate these ERE strengths. Greece continues to face many economic problems--in particular widespread unemployment and underemployment. Eight years of ERE power have brought forth a number of charges of corruption in high places, and there may be some growth of the feeling that it is "time for a change." The provisions of the new electoral law adopted in response to EK demands will probably make it more difficult than in the past for ERE to win a working parliamentary majority.

### The Opposition Parties

Within the Center Union, Papandreou faces a continuing threat to his leadership from Sophocles Venizelos, long-time political figure who subordinated himself and his followers to Papandreou's leadership in 1961. About half of the EK parliamentary deputies are believed to be loyal to Venizelos. The latter has repeatedly disagreed publicly with Papandreou's course of action--most recently when he informed the press that

other concessions in addition to replacement of Pipinelis should be extracted if the EK were to agree to participate in elections.

In mid-July, Papandreou called for Venizelos' expulsion from the EK. Formal action to remove Venizelos has not taken place, however, because of repeated efforts by others in the party leadership to paper over the split between the two men--at least until elections are over.

Papandreou, meanwhile, has been under pressure from EDA to form a popular front for the forthcoming elections. Left-wing leaders reportedly have proposed an agreement in which EDA would run candidates only in districts where the Communists are known to be strong, while in all other districts the party followers would be ordered to support EK candidates. Papandreou thus far has repudiated any overt collaboration with EDA.

With or without a popular front, EDA appears likely to increase its vote over that obtained in the last election. Reports indicate a possibility that EDA running alone may win about 20 percent of the popular vote. Harassment of EDA by the security forces has been severely reduced in the last few weeks--largely because of the "Lambrakis affair" and its aftermath, which included the recent arrest of four senior police officers charged with complicity in the murder.

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On the other end of the political spectrum, Spyros Markezinis seeks some form of collaboration with one of the larger parties to ensure that his small right-wing Progressive Party will not disappear from parliament. While he would prefer to cooperate with Karamanlis and his ERE, Markezinis' price--probably an important cabinet post--may be too high. He and Papandreou have been in frequent contact and an eventual agreement for cooperation between these two parties appears possible. EDA spokesmen, too, have approached Markezinis in their effort to form a popular front, but apparently without success.

Outlook

Should Karamanlis be returned to power with a major victory despite his quarrel with the palace and over the combined efforts of the opposition, he may be in a vindictive mood. Any attempts to restrict the royal family's prerogatives might lead to a more serious constitutional crisis than that which caused his resignation in June.

The agreement of all political parties to participate in the elections, however, and the steps taken so far to assure impartiality, suggest that the political atmosphere may be cleared in the months ahead. (SECRET NO FOREIGN DISSEM)

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